The Definitive Guide to Hosted PBX

VoIP-NEWS

www.voip-news.com

This comprehensive guide contains:

The VoIP-News Hosted PBX Buyer's Guide

The VoIP-News Hosted PBX Service Plan Checklist

10 Questions to Ask Your Hosted IP PBX Provider

The VoIP-News Hosted PBX Comparison Guide

Copyright © 2007, Tippit, Inc., All Rights Reserved

Learn what an IP PBX system can do for you and understand what issues you should consider during your decision-making process.

IP PBX Buyer's Guide

VoIP-NEWS
www.voip-news.com

Copyright © 2007, Tippit, Inc., All Rights Reserved

Contents

Executive Summary 3

Hosted PBX Overview 4

Market Overview 6

The Benefits of Hosted IP PBX 8

Basic Features 9

Advanced Features 11

Cost 14

Checklist 15

Conclusion 17

Executive Summary

Hosted IP PBX systems have changed how small and medium businesses use their voice communications. They are the modern heirs to the historic Centrex (Centralized Exchange) systems that were the ultimate in business communications for the past thirty years. But hosted IP PBX systems are cheaper and far more capable than their predecessors.

New IP phones are getting sleeker and more advanced.

Modern hosted IP PBX systems literally deliver multinational enterprise capabilities to even the smallest of businesses, often at a cost lower than the far more basic systems they are replacing. This Buyer's Guide explains the Hosted IP PBX market and tells you what to look for in a proposed system.

The bottom line with hosted IP PBX systems is that they provide an easy way for small to medium (and even some large) businesses to move to VoIP and get a wide range of new features and capabilities for their phone systems. If upgrading from a traditional phone system, the savings can be substantial and the new service will pay for itself immediately.

In this Buyer's Guide you will find details on what to look for, how to buy, what you can expect to pay, and how to get the most out of your investment in VoIP.

Hosted PBX Overview

A PBX (Private Branch Exchange) is essentially an automatic switchboard for telephone systems. It provides the same basic functions for any business or enterprise that the ranks of telephone operators with handfuls of wiring plugs did in old movies. Those essential features are to provide switching and connection between any two (or more) telephone users.

Any system that does this automatically for telephone calls within an organization is a PBX. The reason businesses move to PBXs is to avoid requiring that every employee have a direct line to the public telephone system, each of which incurs a connection and line charge. Instead, a smaller number of lines get shared by all the users and managed by the PBX. This saves money and is more efficient.

The reason businesses move to PBXs is to avoid requiring that every employee have a direct line to the public telephone system, each of which incurs a connection and line charge.

All IP PBX (Internet Protocol Private Branch Exchange) systems are basically exchange and extension managers for calls based on the Internet protocol – also known as VoIP and Internet telephony. The essential advantage they offer to small- to medium-sized businesses is the ability to add features that have only been affordable or available to large businesses up to now. VoIP and Internet telephony are usually also more cost effective when looking at long-term operating costs due to lower monthly fees and much lower costs to connect and complete calls.

Hosted vs. Premise PBX

There are two primary types of PBX solutions for business: hosted IP PBX and premise-based IP PBX. Hosted systems take most of the switching and intelligence of the system and move it offsite to a remote location where it is managed by the service provider. Equipment at an organization's site is limited to the phones themselves, some dedicated routing equipment and perhaps a switch to provide emergency access to the older traditional TDM (time-division multiplexing) telephone network.

As a result, hosted systems are usually quicker and cheaper to install and set up. They offer a standardized set of services. Because they are hosted remotely, there is less maintenance for a business and no need to perform upgrades. The downside is that upgrades often must wait until the service provider is prepared to offer them. There is less flexibility and fewer options in configuring the system.

In contrast, premise-based PBXs require servers and more switches to be located at the business site. The organization also has to be prepared to install, manage and upgrade them. The downside is a higher startup cost, the need to manage and maintain the system, and more difficulty growing the system in the future. On the other hand, the organization can upgrade to new features at will and has full ability to configure the system any way it likes.

You'll want to select a hosted IP PBX provider carefully. Some specialize in organizations of a particular size and can turn out to be unable to scale up beyond a certain number of users. On the other hand, others are unable to provide affordable service for a very small organization.

The typical scenario for a hosted provider is that there are no or basic fixed setup costs, then the company pays a monthly charge per user. In contrast, premise-based systems feature a larger initial cost that covers servers, software, switches and gateways. However, after the initial setup, ongoing costs can be much lower. It is also easy to predict the cost of growth with a hosted IP PBX, but scalability and expansion can be much harder to predict with premise-based IP PBXs.

The bottom line: hosted PBXs are best for small businesses but good for medium-size businesses as well. They're also good for businesses with a lot of remote users or those that anticipate rapid changes in size. Premise systems are best for large, stable businesses with predictable volume that need custom features or to integrate the phone system into multiple business operations.

Market Overview

The hosted VoIP market is a profitable one for service providers because they can take advantage of rapid technological advancements in IP networks and in the software and services that can run across IP networks. In particular, hosted IP PBX systems are easy to scale and add new services to. Despite that, the primary reason that small and medium businesses are attracted to VoIP in the first place remains cost savings. The inherent advantage of completing all pure VoIP calls (both ends of the call are on a VoIP platform) for free means that basic phone service is bound to cost less using VoIP. In combination with already heavy and aggressive price cuts on traditional phone services, new hosted VoIP systems provide immediate cost savings and ROI (Return on Investment) when upgrading from a traditional phone system.

New hosted VoIP systems provide immediate cost savings and ROI when upgrading from a traditional phone system.

Other main reasons that small to medium businesses are adopting VoIP include access to features that are either not available or at all or cost-prohibitive on older phone systems. Examples of these include integration with desktop and office software like Outlook, call routing features, and IVR (interactive voice response) features, all of which used to be extremely hard to set up and prohibitively expensive for small businesses.

In addition, hosted IP PBX providers have also eliminated a previous big criticism of hosted VoIP by often removing the need to purchase equipment – even the phones themselves – and instead rolling a lease cost into the monthly per-user fee. Market research and surveys indicate that lower total cost of ownership and better system management are the primary factors for small businesses moving to hosted VoIP, but that the technology is still misunderstood and early miscues such as poor voice quality have led to misperceptions in the market.

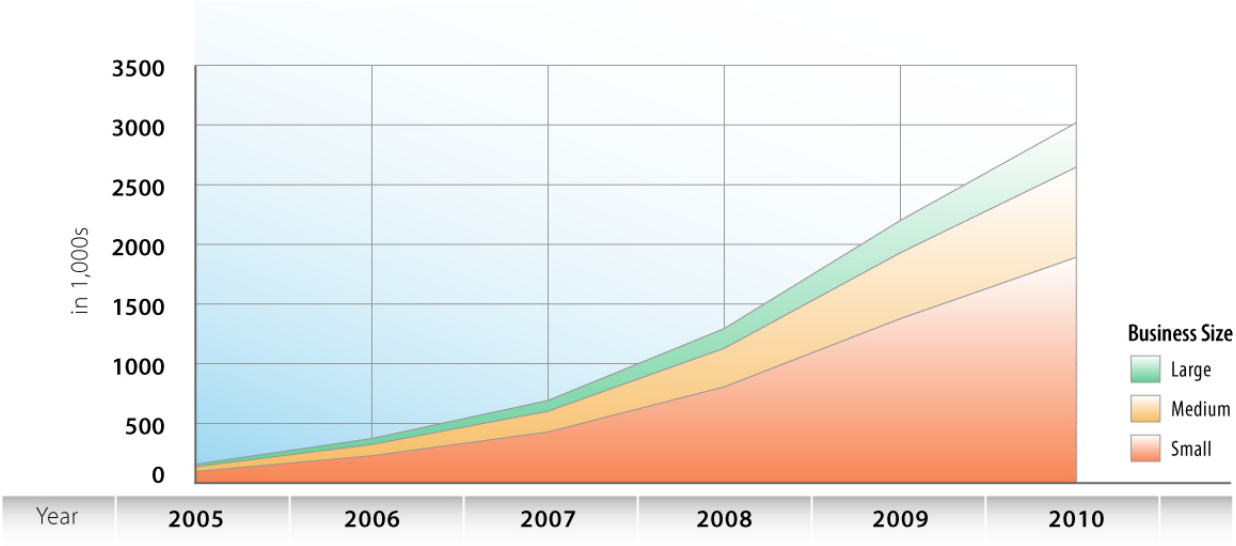
The "perceived wisdom" about VoIP is that call quality is poor and the technology is difficult to implement. But the truth is that more than 80 percent of small businesses surveyed have responded that they are satisfied or highly satisfied with their decision to make the change. In fact, modern VoIP systems have better call quality than regular phones and hosted IP PBX systems in particular are extremely easy to install.

According to a new study from market research firm ABI Research, the global market for hosted services will exceed $34 billion in 2012, of which the North American portion (where most of the cable operators pursuing the small business market are located) will amount to $11.6 billion.

Another market research company, In-Stat, believes that strong growth in hosted VoIP will remain steady and will exceed 3 million seats in service by 2010. There are currently about 400,000 seats in service in the U.S., the majority in the small and medium-sized market.

Hosted VoIP Seats In Service (in thousands)

Year	2005	2006	2007	2008	2009	2010
Small Business	97	229	428	806	1377	1892
Medium Business	40	94	174	323	552	755
Large Business	21	50	90	165	271	372
Total:	**158**	**373**	**692**	**1294**	**2200**	**3019**



The Benefits of IP PBX

The benefits of an IP PBX to any enterprise are similar to and different from the benefits of a VoIP system in general. Downsizing to one network of communication instead of two creates clear cost savings and a reduction in basic infrastructure wiring. Furthermore, there are significant savings from the lower basic cost of completing external calls. But IP PBX goes even further, bringing greater benefits to enterprises with increased manageability, upgradeablity, and enhanced feature sets.

The specific benefits of an IP PBX over traditional phone systems or PBXs include the following :

- A cleaner and simpler infrastructure.
- Lower operating costs.
- Simplified equipment and maintenance.
- Unified communications.
- Improved scalability and growth.
- Improved features for business operations.

Specific Benefits

	Traditional Telephone	VoIP
Conference Calls	Special equipment is required for more than three people.	Easily conference large numbers.
Mobility	Very difficult to set remote users up in systems if they are local.	Easily add remote users of any kind.
Phones	Can only provide traditional phone services, albeit complex ones.	Can be programmed to provide internal and external apps of all kinds.
Efficiency	Dedicated voice lines provide known quality levels but no flexibility.	More efficient use of network.

Basic Features

Residential and very low-end VoIP providers often claim to offer business-class PBX services, but except for very small organizations, that just isn't the case. Even the most basic businesses now require a set of capabilities that would not have been possible even for the largest corporations 20 years ago.

In addition to the default PBX features like call switching, call completion, call connection, call termination and accounting, the following should also be found in any hosted IP PBX system:

Call Routing Features

- **Automated Attendant**: An automatic system to answer phones with the ability to build phone menu systems, add call menus, transfer to voice mail and create flexible and programmable rules to handle all of these features.

- **Call Menus**: Flexible call management menus with user selectable options – a more advanced version of the traditional phone tree/ menu systems. A better-quality system will let you have multiple sets of menus and even change them based on time or on information gleaned from caller ID.

- **Managing Extensions**: Features to help the phone system administrator, such as the ability to add new extensions, remove unneeded extensions, change extension locations and much more from a Web-based control panel.

- **Call Forwarding**: Automatic, programmed or manual call forwarding to any number.

- **Call Transfer**: The ability to transfer calls between extensions without going back to a central switchboard.

- **Call Parking**: Essentially a group hold – put the caller on hold in a waiting area so that any other phone system user can pick the call up.

Messaging and Management Features

- **Voice Mail and Voice Mailboxes**: Any IP PBX should allow an almost infinite number with far more flexibility than regular phone systems – more advanced features would include the ability to record all incoming and outgoing conversations automatically.

- **Call Hold:** Placing callers properly on hold with no drop off in queues with user selectable hold music and programmable options about handling hold time length.

- **Conference Calling:** Handling multiparty conference calls, internally and externally.

- **Web-Based Management and Administration:** To make it quick and easy to manage your phone system directly from a Web browser – this can include the ability to add configuration and management functions as well.

- **User Directory:** Some form of user directory and address book that is part of the phone system and is centrally updated.

Advanced Features

Other IP PBX features can get extremely specific, and the precise mix of features can make a big difference to business operations. Most of these advanced features come under areas like helping with remote office and remote users, or programmability and flexibility of the system.

Management

- **Scalability**: The ability to rapidly grow or reduce the system under your control. Better systems can scale to handle hundreds of users.
- **Rights Management:** Allowing different groups of employees different rights within the phone system for management, administration, usage and more.
- **Group Management:** Managing groups of callers and call recipients.
- **Call Queue Management:** Providing visibility into and the ability to manage incoming call queues. This can include specific call management as well as general system management of rules and varying loads, hold times and so on.

Programmable Routing and Scheduling

- **Call Routing:** Setting up programmed rules to route calls based on flexible criteria like caller ID or time, or even next available extension in the designated call management group.
- **Scheduled Call Routing:** Handling incoming calls differently based on time received – and even setting up several systems of call management that are all different depending on time of day or day of the week.
- **Automatic Ring Back Features:** Features to automatically return calls based on various programmable criteria.
- **Call Screening**: The ability to routinely screen calls as they come in.
- **Call Monitoring**: The ability to silently monitor calls as they progress for purposes like sales training and customer support.
- **Barge in**: The ability to break in to a call between two other people – usually related to call monitoring.

Remote User Features

- **Branch Office Support**: The ability to manage and remotely administer extensions at other offices just as easily as if they were local.
- **Features to Support Remote Users as if Local**: One of the most powerful features of IP telephony is the ability to have remotely located employees work and appear to external and internal callers as if they are local.
- **Hoteling**: Allowing users to make any physical phone in the system act as if it were any other number, so that any user can make any phone on the system act as if it were their own phone for any period of time. This feature is particularly useful for telecommuters.

Unifying/Integrating Office Systems

- **Full Outlook/Email Integration**: Incoming calls can be matched with contact management records and outgoing calls can be initiated from within Outlook so users can click on contact management systems records and dial from within Outlook or other applications.
- **Voice mail to Email**: Sending all voice mail from a mailbox to an email account where messages can be opened and listened to on a PC – as well as stored and managed.
- **Data Network Integration**: Some form of integration into your basic data network so that 'click-to-call' functionality, integration with office document, email systems, or even full blown CRM systems can be added.
- **Click-to-Dial**: Some form of click-to-dial to go from a number on a PC screen to a call on the phone without having to dial the numbers yourself.

Unique Features

- **Integrated Voice Response**: The system includes the ability for callers to navigate through menus using phone keypad or voice responses.
- **Analog and IP Handling**: Many IP PBX systems can manage both VoIP phone and regular telephone systems at the same time – although not all functionality is available to regular phone users. This feature is useful for managing merged groups or multiple sites.
- **IP Fax**: A fax system integrated into the IP phone system. You cannot use regular fax machines directly on IP phone networks without some kind of interface.

- **Presence Features and IM Integration**: Presence features indicate the status of a user of the phone system to all other users and even to external callers if features are supported. These indications can be as extensive as to indicate location, kind of devices by which communication can take place, and transfer between routing methods.

Cost

Hosted PBX systems vary considerably in cost but prices have been coming down for the past couple of years due to rapidly increasing competition in the small business market. Even so, costs are very unlikely to dip below the current lower end of the price spectrum since that is getting close to the low-end pricing for the most basic residential phone systems. Prices typically range from about $35 per user per month to as high as $300 per user, per month for expensive, high-end solutions. There are often additional setup costs that are one-off and in addition, the lower costs do not always include equipment. Some vendors rent equipment separately, some include the rental in the monthly fee and others require equipment to be purchased.

Hosted IP PBX pricing is fixed per user and entirely predictable. Monthly costs are always a flat fee per user per month.

ROI can be very difficult to estimate since it depends mostly on the system being replaced. If you are upgrading from an old legacy system, then a hosted IP PBX is going to save you a considerable amount in operating costs, depending entirely on your current call costs. It is easy to look at the future costs of a system for hosted IP PBXs because pricing for these systems is fixed per user and is entirely predictable. Get quotes for installation, setup and equipment costs. These should either be 'free' (which means rolled into the monthly cost) or a fixed fee for installation, setup, and a fixed fee for the cost of equipment. Monthly costs are always a flat fee per user per month.

The difficulty comes if you are comparing hosted IP PBX with a premise-based IP PBX because predicting costs on premise-based equipment is much harder. Purchase and installation costs can be difficult to determine precisely until full engagement on a purchase, and ongoing maintenance and call charge costs can be hard to determine. The typical scenario is that the longer you keep a system and the more users you have, the more likely it is that a premise-based solution will compare favorably.

The bottom line: if you are upgrading from an old phone system, you will save money with a hosted solution no matter what. If there is any uncertainty in terms of call volume, growth, scalability and usage pattern, you are likely to be better off with a hosted solution. If you are a small business (20 people or less) you are also better off with a hosted solution.

Hosted PBX Service Plan Checklist

What to ask before you buy.

Before you begin to negotiate with a hosted PBX provider, you'll want to gather some basic information about your current situation. Use this checklist to get organized:

- ❒ How many employees are in your organization?
- ❒ How many locations do you have that need VoIP service?
- ❒ How many remote or mobile users do you have that will not have a local office?
- ❒ What are your current broadband connection details — bandwidth, type, lines and so on? Make sure to have as much information available as possible, including current supplier and level of service.
- ❒ What is your current network load and available unused bandwidth? Your provider may want to test your network to determine this information for themselves, and if you don't have enough you may need a network or broadband upgrade.
- ❒ What type of servers does your system run on? Your service provider may need the manufacturer name, model number and, most importantly, operating system details.
- ❒ What are your existing phone system details? Manufacturer, number of lines, connections and so on.
- ❒ Do you have any need or desire to keep existing lines?
- ❒ Will you only be upgrading part of your organization?
- ❒ What is your budget? Your total project cost limits and target cost per month per user?
- ❒ What is your mix of calling? Average amount of internal, local, long-distance and international calls per month. If you don't know, have a few months of recent phone bills handy.
- ❒ What is your percentage of inbound versus outbound calls?

Once you have this information, you're ready to begin talking to a hosted PBX service provider. Specify your business requirements up front and make sure you know which you are prepared to drop in return for a lower cost. In practice, you are likely to have a few business features in mind that, along with basic phone features, are must haves. Everything else will be optional, but keep an eye to the future if possible.

Typical issues that can change costs involve:

- ❒ Do you need an incoming 800 number?
- ❒ Do you have a receptionist/phone operator or do you want an auto-attendant?
- ❒ Do you need to be able to make conference calls? How large, how many and across how many locations?
- ❒ Do you need a call center?
- ❒ Do you need integrated voice response (voice menus)?
- ❒ Do you have someone available to manage the system for your employees or are they going to have to do it themselves?
- ❒ Do you need to integrate with Outlook or other office systems?
- ❒ How fast are you going to need to grow the system and how frequently?
- ❒ What level of service and SLAs (service level agreements) do you need?

Conclusion

Hosted IP PBX systems provide small- to medium-sized businesses with abilities and features that are available to large enterprises, while providing the potential to reduce long-term operating costs considerably. As with any rapidly growing technology, there is a wide variety of providers and a range of features at widely varying prices.

Hosted IP PBX systems can cost as little $35 per month per user (or even less in large installations) with no setup costs, but the costs can increase as required features and the complexity of a system grows. It is more important to make sure that your system has the basic features that you require now for the operation of your enterprise and for its future growth than to drive the cost to the absolute bare minimum. Unless you are already using an efficient IP telephony system, you will save money no matter what.

You should look for the following in any upgrade to hosted IP PBX:

- Basic operating cost reductions due to lower call charges, the need for only one communications network and lower maintenance costs.
- A minimal investment risk, because your enterprise data network is your new backbone and it is already in place and functioning effectively.
- Straightforward installation costs based on tested, reliable components connecting to a system your IT personnel already understands.
- Improved efficiency and operations within your organization.
- New features that can improve your business's effectiveness.

It is the last of these points that is most important and critical to the success of the upgrade. This is where the power of converged networks – combined voice and data networks – really comes into its own in terms of providing your enterprise with more tools, capabilities and options than it previously had. The cost savings are essentially a bonus.

You can find out more about who offers what features using our Hosted IP PBX Comparison Guide.

VoIP-NEWS
www.voip-news.com

How to save money, get service guarantees and make sure your provider will work for you.

10 Questions to Ask Your Hosted IP PBX Provider, Before You Sign a Contract

Signing up for a hosted IP PBX provider is just like signing up for cable TV; the provider is trying to lock you in to a long-term contract at terms that give them the most profit, while you're just trying to get the service and features you need at the lowest possible price. Plus, there are always hidden costs.

The key to avoiding a contract with more (or less) service than you need is asking the right questions. This list covers what questions you should ask before you sign on the dotted line. If you have specific concerns such as advanced call center features that might affect your business, you'll want to add them to the list as well.

1. What is the contract termination policy?

You want to know whether you can get out early without a penalty and what the other termination costs might be. Unfortunately, providers — and particularly their sales teams — often try to lock you into long-term contracts. This is common practice throughout the communications industry and you may not be able to avoid it, but you can do your best to remove arbitrary and excessive early-termination penalties. Several of the newer hosted IP PBX providers are reacting smartly to the situation by providing service with no installation or termination penalties. Be sure to check the policies on equipment, as well as those that apply to the basic service.

2. What startup costs are there beyond setup and equipment fees?

This is where you want to look for hidden costs. Find out exactly what you'll need to get service. Ask if phones, extra servers, interface cards and other add-ons are included or if they cost extra. If you have the "wrong" kind of network (one that doesn't work with the hosted provider's VoIP system) will you end up needing new cards and extra software? Can you use your existing broadband service? If not, can you switch your broadband supplier without penalty (and preferably at an additional saving)?

It's easy to get sucked into a deal with installation and equipment costs at $100 or less per seat, but that's often for a minimal configuration. You might find out later that you need add-on equipment. Be particularly careful about phones; if the phone is free, it's quite likely to be extremely basic, and you may need more features. Think of the phone as a piece of equipment you use all day, every day, and you'll get an idea of why you want the best phone.

continued

Copyright © 2007, Tippit, Inc., All Rights Reserved

3. What day-to-day usage costs are not covered by my service plan? What are the rates for international calls, for example?

This is yet another place where hidden fees lurk. Make sure there aren't any add-on fees for important features; some providers charge more for conference calling, others for different forms of long-distance and still others for some advanced features. Make a quick list of all the communications needs that you have, then ask about all the items so you can forecast prices accurately. This is particularly true if you make a lot of international or toll-free calls or if you need extensive inbound toll-free calls. One bright spot is that this is an area where you can't really lose — all hosted IP PBX solutions are cheaper for actual calls than any non-IP or non-VoIP solution.

4. Can the system handle outbound and inbound faxes out of the box? Can I just plug in a fax machine or do I need special equipment?

Faxing is a hidden gotcha of VoIP. Many older systems can't handle faxes, while others require a special faxing module. The bottom line is that just because you have a phone line with VoIP, it doesn't mean you can plug a fax into it. Make sure you're covered and find out what it will cost. A typical solution is to obtain an extra box or adapter for a fax line, which will cost extra. But some solutions are smart enough to route faxes beyond the adapter and deliver them to email inboxes as well. Check the details before you bite.

5. Do I need add-ons or extras to handle old-style analog phones that I already have or that remote or branch offices have already installed?

Fortunately there is a solution to this issue that can save you some money. If you have offices that already have extensive, modern analog phones, some provider systems will work with them as transparently as with more advanced SIP (Session Initiation Protocol) and VoIP phones. That can save you as much as a couple of hundred dollars per phone. This is particularly important for remote branches or offices, especially if you need to do a phased rollout. You will need to double check what features are supported on analog phones and how they are operated. If it is too difficult to transfer calls for example, this feature, even if it is supported by the provider, might as well not be there.

continued

6. How does the system handle remote and mobile workers?

The key here is to find out whether the experience is the same for a telecommuter in a rural area as it is for someone at a head office and how it will handle people on the road.

If you don't have mobile or remote requirements, obviously this isn't a concern right now, but in time it may be. And if you do have remote and mobile employees, then you need to find out what the provider can and cannot do for you. Some providers can handle any mobile or remote phone almost as easily as an extension in the main office, but others cannot. Creative solutions might save you more money than going to a system that can handle remote employees. For example, getting a single line for a remote employee on a different plan then using your system's call-forwarding features might end up being more cost-effective. Since many hosted IP PBXs handle remote users very well — including 'road warriors' who travel a lot — this can be a great extension for your business.

7. If I underestimate my requirements and need a major upgrade or my company grows, what are the additional costs for upgrading?

There isn't too much you can do here — miscalculating requirements is going to be a problem no matter what. But you can minimize the pain with a provider that is willing to work with you and that provides good service. At least find out what the issues might be down the road as you'll need to know how to handle business growth anyway.

8. How do you guarantee your quality of service?

Quality of service is a big differentiator among providers. What you want to know here is, if you have issues with quality, how you'll get support, who you should contact and how fast fixes will happen. When there is a complex problem and your network equipment supplier, your broadband supplier and your service provider are all pointing fingers at each other, you want a provider that will step up to solve the problem.

These are all questions to ask the provider directly. If they can't more than satisfy you in this area, look elsewhere. Your communications system is vital to your success, so don't put yourself in a position of being held hostage by an incompetent provider. It obviously helps if your broadband supplier and your IP phone provider are one and the same, but regardless, if they aren't willing to even step up to *try* to solve your problems, then how good will they be at actually solving them? Take the time to understand all the issues. For example, if there is a major backhaul network failure

continued

(the network that connects most of the Internet together in the background), then your provider is unlikely to be able to do a single thing about it, but check if they will at least provide failovers to an old-style analog line for emergencies.

9. What about emergency services — do you provide full 911 or E911 services? Will dispatchers know my location automatically — and how about remote workers?

This is a flat-out requirement that many VoIP providers don't like to talk about. If they don't have a solution right now, they ought to have one in the pipeline. Fortunately, since 911 compliance has been made a federal mandate, the problem is being solved very rapidly. But do ask how the system will know things like location for someone on the road. And that leads us to the last question...

10. How do I know you are going to be around in two years, let alone three?

Communications and VoIP is an industry of consolidation and aggressive competition. Find out if your provider is stable and make sure your contract is binding even if your provider gets acquired. Ideally, you want the new provider to take up your contract with no change, while giving you the option of moving on without penalty if you don't like the new arrangement.

VoIP-NEWS
www.voip-news.com

Hosted IP PBX System Comparison: Part 1

Manufacturer	AccessLine	Aptela	Bandwidth	Covad	Global Phone
Product	**SmartVoice Plus**	**Business VoIP/Hosted PBX**	**Hosted IP PBX - Enhanced Plan**	**ClearEdge Pro**	**Global Tone Premium**
Features					
Auto Ring Back	No	No	Yes	No	Yes
Branch Office Support	Yes	Yes	Yes	Yes	Yes
Call Center Support	No	Included	No	No	Included
Call Monitoring	No	Yes	No	No	Yes
Call Queue Management	Yes	Yes	Yes	Yes	Yes
Call Routing	Optional	Yes	Yes	Yes	Yes
Group Call Management	Optional	Yes	Yes	Yes	Yes
Hoteling	Optional	Yes	Yes	Yes	Yes
Integrated Voice Response	Optional	Included	No	Yes	Yes
Integrates with Email	Optional	Yes	Yes	Yes	Yes
IP Fax Support	Optional	Yes	No	Yes	No
Scheduled Call Routing	Optional	Yes	No	Yes	Yes
Telepresence Features	No	No	No	Yes	No
Voicemail to Email	Optional	Yes	Yes	Yes	Yes
Ease of Installation	Easy set up and integration with existing infrastructure	Set-up is web-based and takes only a little over a half hour plus installation of phones, etc.	Pre-configured phones, you plug and go	Installation mostly managed by the vendor – web-based management tools	Easy to administer, manage and update from anywhere with an Internet connection.
Management & Administration	Unified, browser based administration	Online management tools	Web-based office administration	Straightforward – some management direct from phones, rest of management and administration from clean web interface	Basic web-based administration and management
Phone Support	Works with analog and digital phones	Any SIP compliant phone -- Polycom, Cisco, Softphone	Cisco, Polycom, Thompson, and a few more	Cisco , Polycom, Toshiba, Swissvoice IP Phones, and analog phones	analog phone (no LCD support possible), Cisco IP phones, and Polycom IP phones
Security	Encrypted VoIP: strong Phone Authentication: strong Management Security: strong	Inter-application security and redundancies	Standard VoIP encryption	Based on Covad's network and Cisco equipment – good security overall.	Calls routed over private network
Documentation/Support	Excellent customer satisfaction ratings	Integrated Online Help, Training Videas and 24xy phone support	Training manuals and 24/7 support	Product documentation, phone support	Printed, online and call-in service included
Pricing Per User	Starts at approx. $40 per month – for over ten users rapidly drops to $20 per month	As little as $22.50 per user per month for 10,000 minutes or $40 per user per month unlimited - plus T1 cost.	Approx $40 per user per month	$40 to $50 per user	$34.75 per month per phone plus some hardware setup and broadband costs
VoIP-News Comments	AccessLine is a good option for small businesses that want low costs and don't require the most advanced features	Lower cost plan with straightforward options – supports existing analog phones with additional ATAs	Low cost plan with three tiers ranging from a small feature set to a robust feature set – features and price quoted are for enhanced package. No support for existing phones	Medium range hosted plan from established vendor – supports existing phones – options for smaller companies as well	Low cost plan with good feature set and support for existing phones

* All systems include automated attendant, call forwarding, call holds, call menus, call parking, call transfer, conference calling, managing extensions, user directory, voicemail and voice mailboxes, and web-based management and administration.

Copyright Tippit, Inc., 2007. All Rights Reserved.
www.voip-news.com

VoIP-NEWS
www.voip-news.com

Hosted IP PBX System Comparison: Part 2

Manufacturer	M5	Packet 8	Speakeasy	Smoothstone	Vocalocity
Product	**Voice as Service**	**Unlimited Extension Plus**	**Business VoIP EasyVoice Global**	**Smoothstone COMPLETE**	**Unlimited Nationwide**
Features					
Auto Ring Back	No	No	No	No	No
Branch Office Support	Yes	Yes	Yes	Yes	With add ons
Call Center Support	Yes	Optional add-on	Optional add-on	Yes	No
Call Monitoring	Yes	Optional add-on	Optional add-on	Yes	No
Call Queue Management	Yes	Optional add-on	Optional add-on	Yes	No
Call Routing	Yes	Yes	Optional add-on	Yes	With add ons
Group Call Management	Yes	Yes	Optional add-on	Yes	With add ons
Hoteling	Yes	No	Yes	Yes	No
Integrated Voice Response	Yes	Yes	Optional add-on	Yes	No
Integrates with Email	Yes	Yes	Yes	Yes	No
IP Fax Support	Yes	Yes	No	Yes	No
Scheduled Call Routing	Yes	Yes	Optional add-on	Yes	No
Telepresence Features	Yes	No	No	Yes	No
Voicemail to Email	Yes	Yes	Yes	Yes	Yes
Ease of Installation	Installation is seamlessly handled by M5's Active Service Management team of trained experts who provide custom configuration and training.	Subscribers only need to connect the phones and do an online configuration.	Installation mostly managed by the vendor – web-based management tools	Installation totally managed by vendor. Web-based tools for management.	Installation totally managed by vendor. Web-based tools for management. Extremely simple.
Management & Administration	M5 Service Portal allows 24/7 system administration including modifications of contact lists, directories, and passwords. Users can also access online billing tools and system documentation.	Web-based tools for three levels of management and administration	Basic web-based administration and management	Web-based network monitoring, management and control system.	Fully managed by vendor and provides web-based network monitoring, management and control system.
Phone Support	M5 is compatible with Cisco IP Phones.	All plans include one adapter and business class phone. Supports Packet 8, GN Netcom, Duet, and other phones and headsets.	Supports Cisco phones and will begin to support LG phones	Supports all IP phones - plus can provide IP trunking to on-premise IP and TDM phone systems	Supports all IP phones
Security	Equipment is housed in multiple carrier-grade facilities, with the same state-of-the art safety features protecting the best networks in the world.	Standard VoIP encryption	All phones are SIP phones. Edge device is ICSA-certified and sits on customer's LAN. Calls not routed over the public Internet	Calls routed over private, nationwide network. Uses Cisco equipment. Optional: SPAM and Virus filtering, managed firewall, email content management	Standard VoIP encryption
Documentation/Support	Maintenance, support, changes and upgrades included. 95% of support requests resolved within 24 hours. 95% of customers would confidently refer M5 to other businesses.	Printed, online and call-in service included	Product Documentation,reference cards, web and classroom based training,account manager and tech contact.	Printed, online and call-in service included	Printed, online and call-in service included
Pricing Per User	$60/month; $75 one-time + cost of phone	$39 per user per month plus activation costs	$54.95 per user per month	$32-$50 per user plus network access / broadband costs	$39.95 per user plus cost of phones if you don't already have IP phones.
VoIP-News Comments	Very good customer word-of-mouth service with a respectable range of features and competitive pricing.	Very low cost plan but with lesser range of features than other plans.	Solid support, good reliability, does not support existing phones	Totally managed solution aimed at medium-sized enterprises. Good service levels and uptime.	Very simple and straightforward solution that does not offer advanced features but in return offers an extremely easy-to-learn and -use system.

For more information see the VoIP News Solutions For Service Providers Center.

Copyright Tippit, Inc., 2007. All Rights Reserved.
www.voip-news.com

Tippit, Inc.
514 Bryant Street, San Francisco, CA 94107
Phone: 415-318-7200 / Fax: 415-318-7219
publishers@tippit.com